SCHOOL YEAR 2012-2013 PAID LUNCH EQUITY TOOL

SY 2012-13 PLE Calculations

- Paid Lunch Equity (PLE) is an annual calculation
- □ For SY 2012-2013, SFAs which, on average, charged less than \$2.51 for paid lunches are required to adjust their weighted average lunch price or add non-Federal funds to the non-profit school food service account

SY 2012-2013 PLE Inflation Factor

- The amount of the per meal increase will be calculated using 2 percent plus the inflation factor of 2.18 percent, for a total of 4.18 percent.
- □ The inflation factor for SY 2012-2013 is from the July 20, 2011 Federal Register Notice announcing the SY 2011-2012 reimbursement rates

Meeting the Annual PLE Requirement

- Because SFAs may round the adjusted average price down to the nearest five cents, the PLE requirement is met at that level in any school year
- For example, an SFA charged \$1.00 for all paid lunches and the calculation for SY 2011-2012 resulted in an adjusted average paid lunch price of \$1.03.
- □ The SFA chose to round the \$1.03 down to the nearest five cents or \$1.00.
- □ This SFA met the requirement for SY 2011-2012 even though there was no price increase or additional non-Federal funds added to the food service account.

Basis for Determining Average Paid Lunch Price SY 2012-2013

- SFAs use their <u>unrounded</u> adjusted average paid lunch price requirement from the previous SY as the basis for the subsequent SY
- For example, if the result of the SY2011-2012 calculation was \$2.08; that is the unrounded average paid lunch price
- The SY 2012-2013 PLE tool begins with that unrounded figure.

Increasing Average Lunch Price above Required Level

- If an SFA raised its average paid lunch price above the required <u>rounded</u> amount in SY 2011-2012, that excess paid lunch price increase is credited towards meeting the SY 2012-2013 paid lunch price requirement
- SFAs must keep sufficient records to document and carry forward the average paid lunch price calculations

Not Meeting PLE Requirement

□ If an SFA did not raise its average adjusted paid lunch price sufficiently to meet the required amount in SY 2011-2012, the shortfall is included in the calculation for the SY 2012-2013 paid lunch price adjustment requirement.

SY 2012-2013 Non-Federal Sources

- Except as permitted, for SY 2012-2013 and beyond, SFAs may only use non-Federal sources that are provided to directly support <u>paid</u> lunches.
- For example:
 - per-lunch reimbursements for paid lunches provided by States, counties, school districts and others;
 - Funds provided by organizations, such as school-related or community groups, to support paid lunches;

More Allowable Non-Federal Sources

Other examples:

- any portion of State revenue matching funds that exceeds the minimum requirement (7 CFR 210.17) and provided specifically for paid lunches; or
- any proportion attributable to paid lunches from direct payments made from school district funds to support the lunch service; e.g., a pro-rata share of general funds.

Unallowable Non-Federal Sources

- In-kind contributions
- □ A la carte sales

Non-Federal Sources for Qualifying SFAs in SY 2012-2013

- Because of the July 1, 2011, implementation date, FNS extended the flexibility to use additional non-Federal sources for SY 2011-2012 if:
 - The SFA made the PLE calculation without knowing about the additional flexibility for allowable non-Federal sources; and
 - □ The SFA met the SY 2011-2012 PLE requirement by raising their average paid lunch price

SY 2012-2013 Non-Federal Sources for Qualifying SFAs

- SFAs must contact their State agency to determine if they qualify and must document that their average paid lunch price for SY 2011-2012 met the PLE requirement
- The State agency, in consultation with their regional office if needed, may allow these SFAs to use the additional non-Federal sources in place for SY 2011-2012

Additional Sources for Qualifying SFAs

- SFAs may include <u>any</u> non-Federal cash contribution, except for in-kind contributions and revenues from foods and beverages sold in competition with reimbursable meals
- The limitations on sources only for paid lunches do not apply

SFAs that Provided Non-Federal Sources in SY 2011-2012

- If an SFA's SY 2011-2012 estimate of the required contribution exceeded the actual level, that excess contribution may be subtracted from the total SY 2012-2013 contribution requirement.
- Further, if the SY 2011-2012 estimate was less than required, additional funds from non-Federal sources must be added.

SY 2012-2013 PLE Tool

- To assist SFAs making these required PLE calculations, the SY 2012-2013 PLE tool, taking into account credits or shortfalls from SY 2011-2012, makes the following calculations:
 - Weighted average paid lunch price for SY 2012-2013
 - Required paid lunch price increase for SY 2012-2013
 - Required non-Federal source contribution required for SY 2012-2013

SY 2012-2013 PLE Tool

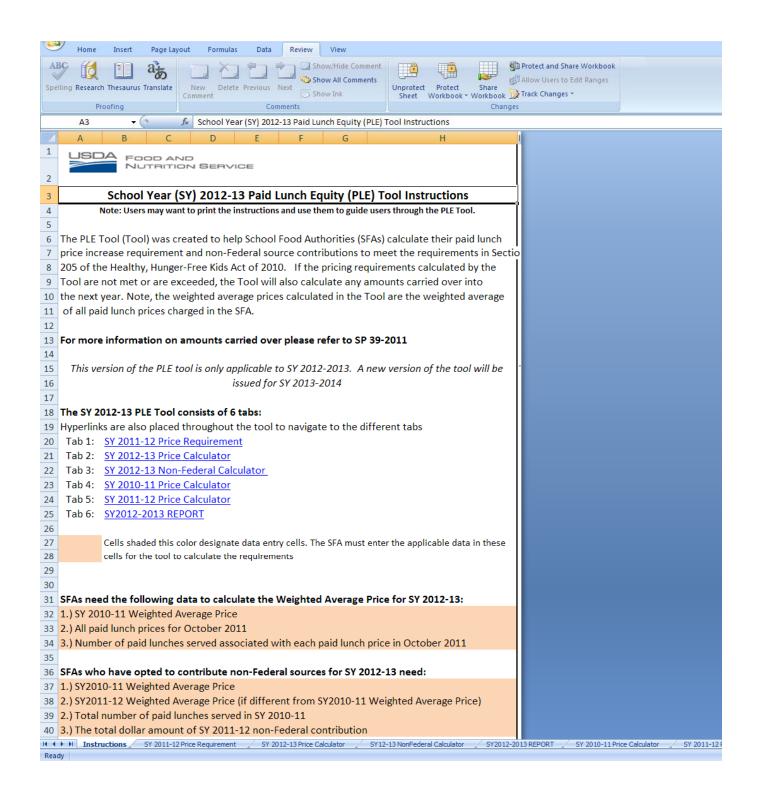
- ALL SFAs need the following data to calculate the Weighted Average Price for SY 2012-2013:
 - SY 2010-11 Weighted Average Price
 - All paid lunch prices for October 2011
 - Number of paid lunches served associated with each paid lunch price in October 2011

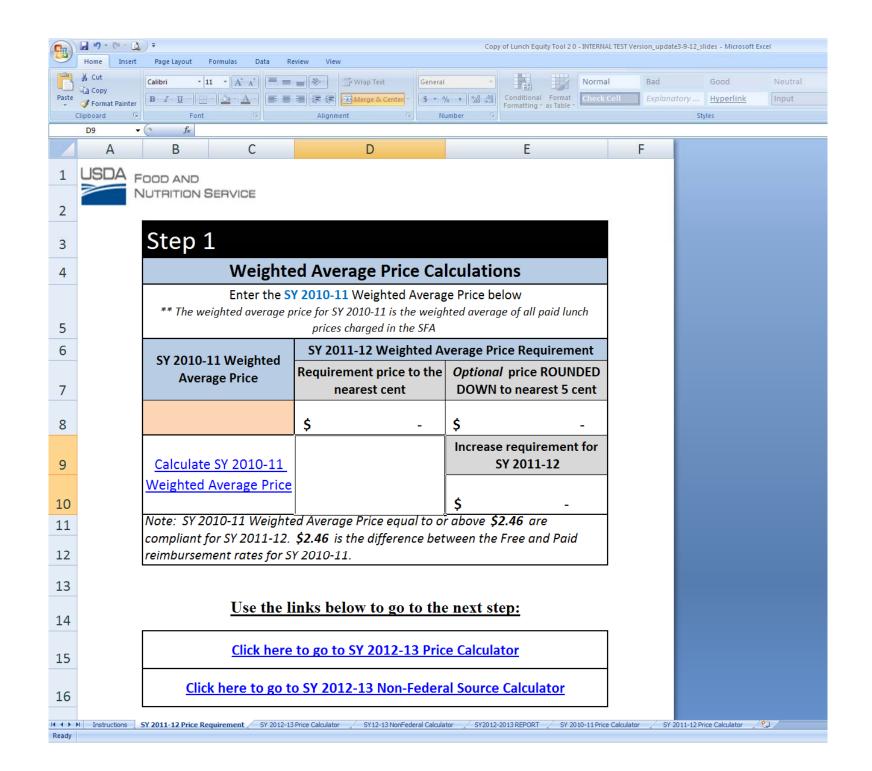
SY 2012-13 PLE Tool

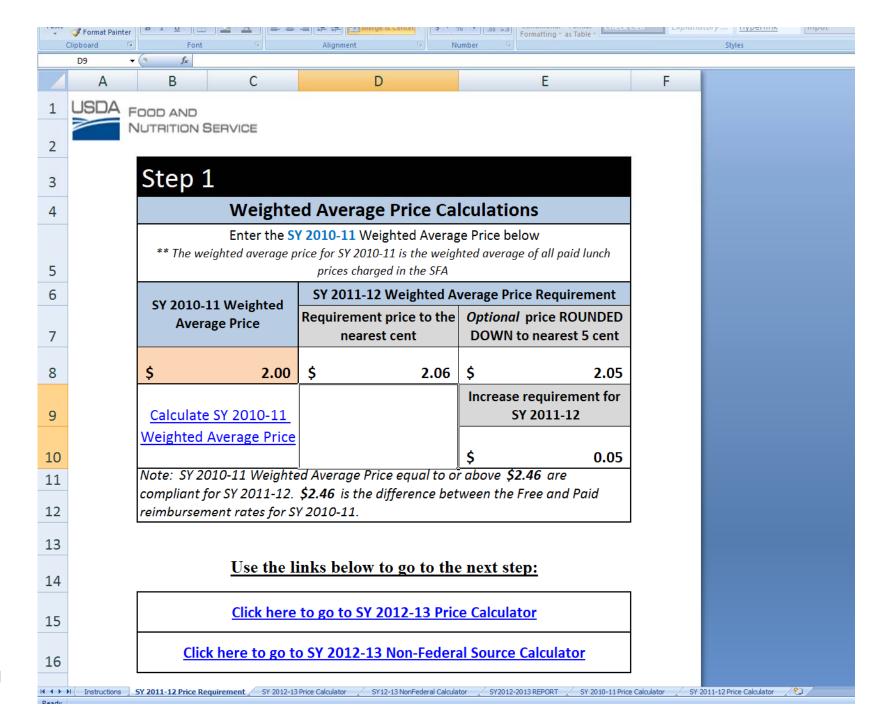
- SFAs that have opted to contribute non-Federal sources also need:
 - Total number of paid lunches served in SY 2010-11
 - The total dollar amount of SY 2011-12 non-Federal contribution

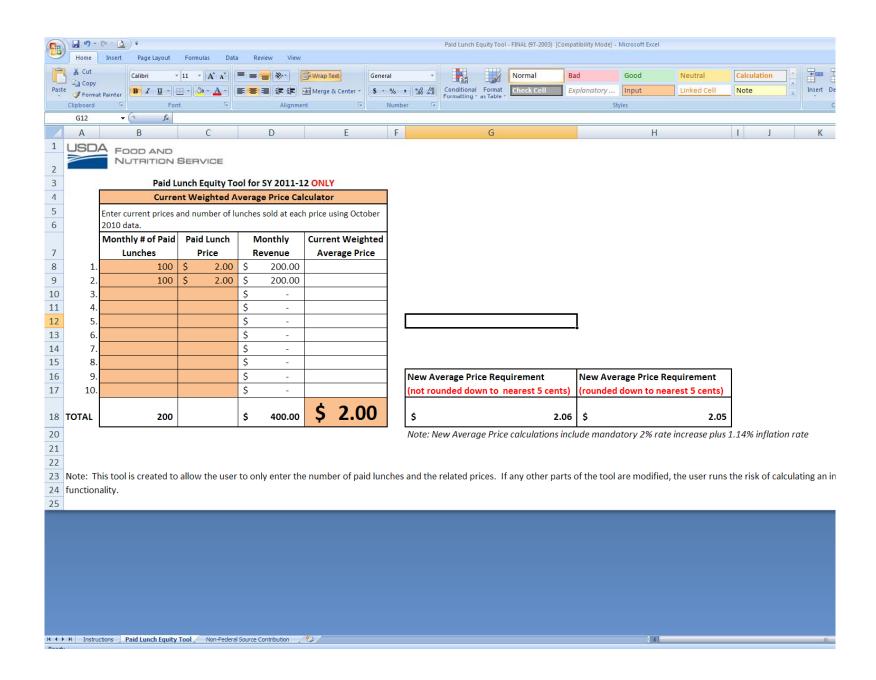
SY 2012-13 PLE Tool

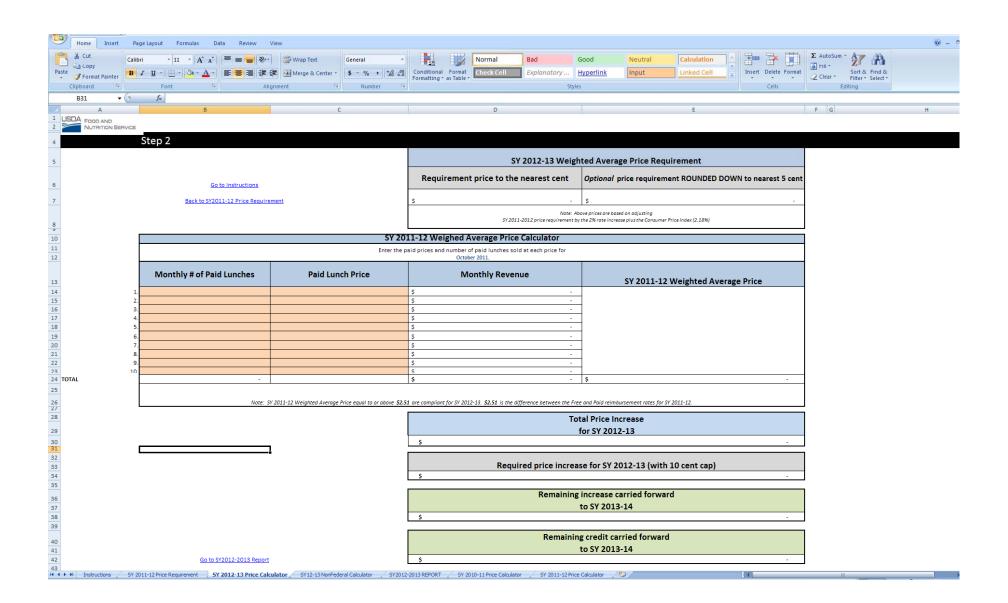
- Includes detailed user instructions
- Includes a report that SFAs can use to track the information they will need to make their SY 2013-2014 calculations
- SFAs can print the report and keep it in their records



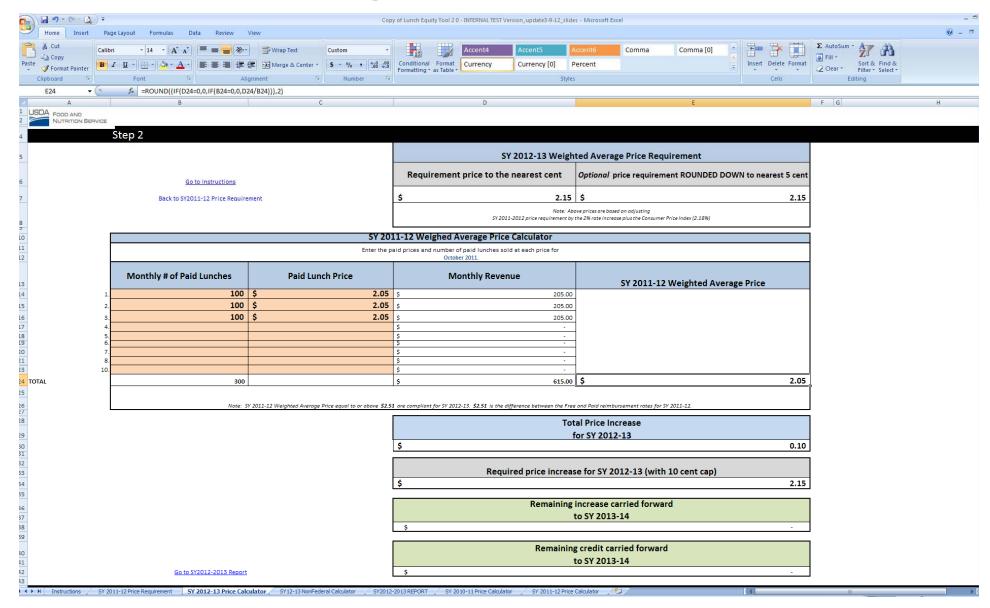




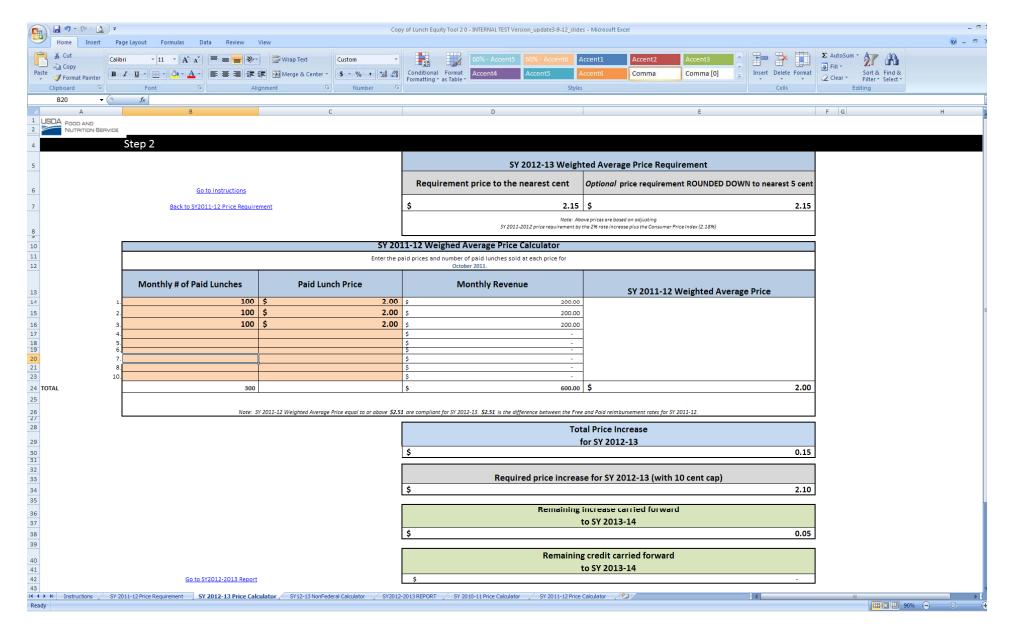




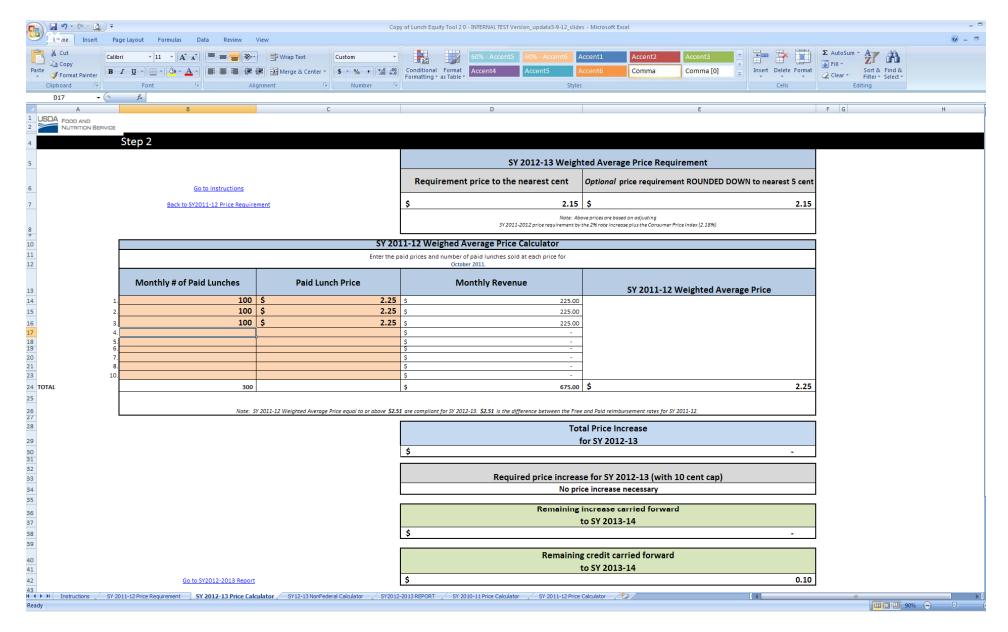
Met PLE Requirement

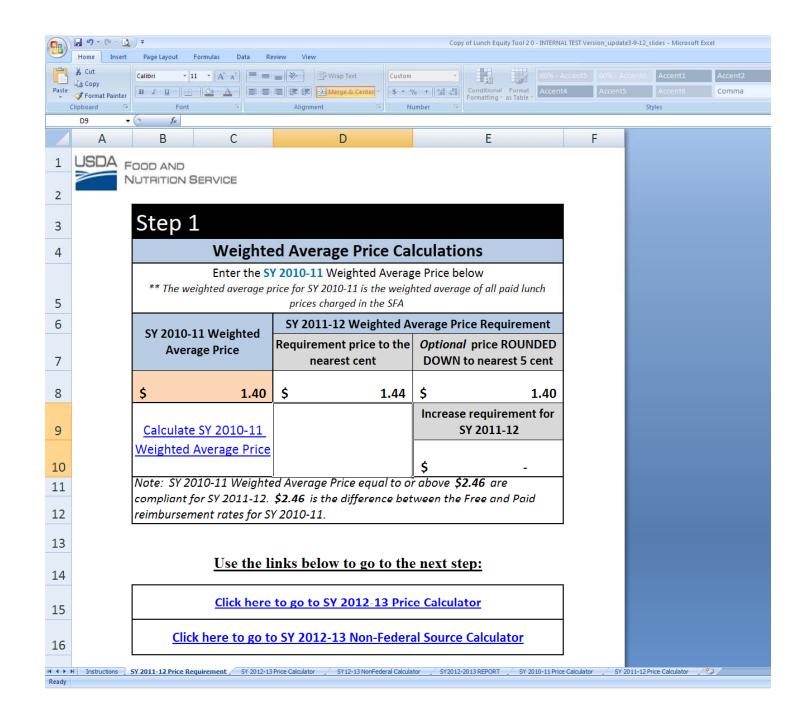


Did not met PLE Requirement



Exceeded PLE Requirement





No Change Required in SY 2011-12

